



MEMORANDUM

To: Attorneys and Other Interested Parties
From: William E. Tanner, Clerk of Court *WET*
Subject: CHANGE IN LOCAL RULES/COMMENTS REQUESTED March 20, 2007

Attached you will find two local bankruptcy rules provided to the public for comment. The first is a newly created Local Bankruptcy Rule 1017-1 concerning the conversion of any Chapter 7 case to another chapter under the Bankruptcy Code. Because of the creation of this new rule, a portion of Local Bankruptcy Rule 1019-1 has been removed, specifically Subparagraph (c). Any entity wishing to make comments concerning the creation of this rule and the changes to Local Bankruptcy Rule 1019-1 should forward them to the Clerk of Court in writing or by e:mail no later than 30 days from the date of this memo. Any general questions concerning this change may also be directed to the Clerk of Court.

WET/kp

Attachments

LBR 1017-1. CONVERSION - REQUEST FOR/ NOTICE OF

A debtor may convert a Chapter 7 case to a case under Chapter 11, 12, or 13, by filing of a motion with notice to all interested parties pursuant to LBR 9004-1 and LBR 9007-1. If no objection is filed, the court will enter an order granting the conversion.

LBR 1019-1. CONVERSION - PROCEDURE FOLLOWING

(a) **Notice of Conversion.** All conversions pursuant to §§ 1208(a) or 1307(a) of the Code, shall be in the form of a notice of conversion, filed by the debtor with the clerk of court. The notice shall include a certification that all parties in interest have been served. The effective date of conversion shall be the date the notice of conversion is filed.

(b) **Trustee Fee Allowable Upon Conversion.** If a Chapter 13 case is converted prior to confirmation of a Chapter 13 plan, or prior to any disbursement to creditors, the Chapter 13 trustee shall be allowed to retain up to \$100.00 as an administrative expense without further motion or order of the court.

(c) **Motion to Convert.** *Abrogated by amendment dated : See LBR 1017-1*

(d) **Duty of Trustee Upon Conversion.** Upon conversion of a case from Chapter 13 or Chapter 7 to any other chapter in title 11, the trustee shall file an account of all receipts and disbursements made in the case and a report on the administration of the case pursuant to § 704(9) of the Code. The trustee is discharged from the case 30 days after the filing of the required reports.

(e) **Disposal of Pending Motions to Dismiss Upon Conversion.** All pending motions to dismiss filed by the trustee prior to the conversion of a case will be deemed terminated as moot.

(f) **Duty to Amend.** Upon conversion of a case, the debtor shall, within 15 days of the effective date of conversion, file inventories, schedules, and statements of financial affairs as may be applicable, or amend such items to include any interest in property acquired since the entry of the order for relief in the original chapter. The amendments shall account for any material additions, deletions, or other changes in the debtor's assets or liabilities. The amendments shall add to the mailing matrix any post-petition,

pre-conversion creditors. If no amendments or additional inventories, schedules, or statements are necessary, the debtor shall file a certificate to that effect within the 15-day period.

(g) Duty to Attend Scheduled Meeting of Creditors Held Pursuant to § 341 of the Code.

The filing of a motion to convert a Chapter 7 case shall not relieve the debtor and debtor's counsel from attending the meeting of creditors scheduled in the Chapter 7 case unless the motion has been granted prior to the meeting of creditors.

NOTE: As amended September 1, 2000 and September 2, 2002.